Office of the Auditor General of Canada
Quarterly Financial Report
For the quarter ended 30 September 2014

Office of the Auditor General of Canada

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ISSN 1927-1972

Statement outlining results, risks, and significant changes in operations, personnel, and programs

Introduction

This quarterly report has been prepared by management as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Treasury Board, and it should be read in conjunction with the Main Estimates. This quarterly report has not been subject to an external audit or review.

The Office of the Auditor General has one program activity: legislative auditing. The Office conducts independent audits and studies that provide objective information, advice, and assurance to Parliament, government, and Canadians.

Mandate

The Auditor General is an Officer of Parliament, who is independent from the government and reports directly to Parliament. The duties are set out in the *Auditor General Act*, the *Financial Administration Act*, and other acts and orders-in-council. These duties relate to legislative auditing and, in certain cases, to monitoring of federal departments and agencies, Crown corporations, territorial governments, and other entities.

Basis of presentation

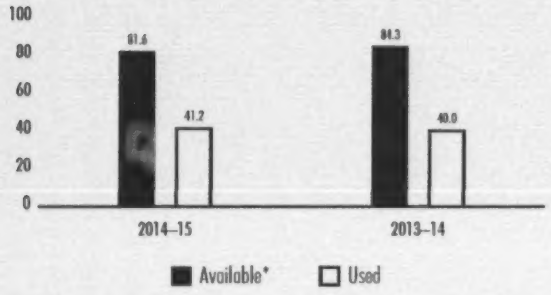
This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the Office's spending authorities granted by Parliament and those used by the Office consistent with the Main Estimates for the 2014–15 fiscal year. This quarterly report provides financial information on the use of spending authorities. The Office uses the full accrual method of accounting to prepare and present its annual financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament are on an expenditure basis.

Highlights of quarterly and year-to-date results

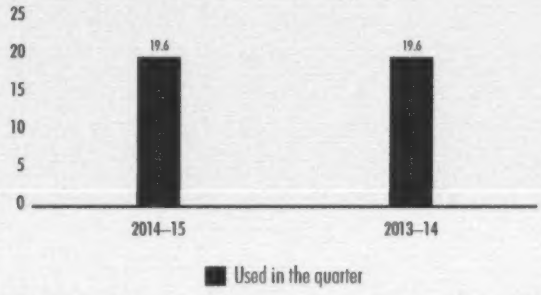
The authorities available decreased as a result of the implementation of the Office Strategic Operating Review Proposal. It should be noted that the 2014–15 authorities available includes the 2013–14 carry-forward funding while the 2013–14 authorities available do not include the prior year carry-forward funding since it had not yet been allocated by Treasury Board at the end of the second quarter.

The authorities used increased primarily due to the one-time transition payment of $2.1 million made as a result of a change from pay in advance of work performed to pay in arrears.

Authorities available and used as at 30 September (in millions of dollars)



Authorities used in the quarter ended 30 September (in millions of dollars)



*Includes only authorities available for use and granted by Parliament at quarter-end

Risks and uncertainties

There are no significant risks and uncertainties to report.

Budget 2012 implementation

The Office achieved its planned savings in fiscal year 2014–15 through efficiency measures and reductions that aligned resources to its core mandate and streamlined how the Office works.

Significant changes in operations, personnel, and programs

There are no significant changes in operations, personnel, or programs to report.

Approved by:

Michael Ferguson, CPA, CA
FCA (New Brunswick)
Auditor General of Canada

Sylvain Ricard, CPA, CA
Assistant Auditor General and
Chief Financial Officer

Ottawa, Canada
28 November 2014

Statement of authorities (unaudited)

	Fiscal year 2014–15			Fiscal year 2013–14		
	Total available for use for the year ending *31 March 2015**	Used during the quarter ended *30 September 2014*	Year to date used at quarter-end	Total available for use for the year ended *31 March 2014**	Used during the quarter ended *30 September 2013*	Year to date used at quarter-end
	(in thousands of dollars)					
Vote 20 – Program expenditures	74,288	17,311	36,925	76,611	17,523	35,430
Less revenues netted against program expenditures	(2,510)	(166)	(577)	(2,510)	(479)	(545)
Net Vote 20 – Program expenditures	71,778	17,145	36,348	74,101	17,044	34,885
Budgetary statutory authorities	9,794	2,448	4,897	10,233	2,558	5,116
Total budgetary authorities	**81,572**	**19,593**	**41,245**	**84,334**	**19,602**	**40,001**
Non-budgetary authorities	-	-	-	-	-	-
Total authorities	**81,572**	**19,593**	**41,245**	**84,334**	**19,602**	**40,001**

* Includes only authorities available for use and granted by Parliament at quarter-end

Departmental budgetary expenditures by standard object (unaudited)

	Fiscal year 2014–15			Fiscal year 2013–14		
	Planned expenditures for the year ending *31 March 2015*	Expended during the quarter ended *30 September 2014*	Year to date expended at quarter-end	Planned expenditures for the year ended *31 March 2014*	Expended during the quarter ended *30 September 2013*	Year to date expended at quarter-end
			(in thousands of dollars)			
Expenditures:						
Personnel	72,981	16,847	33,586	69,043	17,263	34,693
Transportation and communications	3,444	613	1,593	5,662	676	1,540
Information	498	82	161	770	133	227
Professional and special services	4,802	1,766	3,096	7,853	1,503	2,612
Rentals	1,092	87	827	1,671	69	841
Repair and maintenance	211	28	47	415	66	94
Utilities, materials and supplies	354	37	79	617	53	106
Acquisition of machinery and equipment	700	227	256	812	322	434
Other subsidies and payments*	-	72	2,177	1	(4)	(1)
Total gross budgetary expenditures	**84,082**	**19,759**	**41,822**	**86,844**	**20,081**	**40,546**
Less revenues netted against expenditures:						
Costs recovered						
Members of the Canadian Council of Legislative Auditors (CCOLA)	(660)	(2)	(95)	(660)	(6)	(72)
International Labour Organization	(1,850)	(164)	(482)	(1,850)	(473)	(473)
Total net budgetary expenditures	**81,572**	**19,593**	**41,245**	**84,334**	**19,602**	**40,001**

*Includes the one time transition payment of $2.1 million made in 2014–15 as a result of a change from pay in advance for work performed to pay in arrears.